

Crosswalk for IDOE/Business and Marketing Personal Finance Standards to NETWORKS Financial Literacy Competency Guidelines							
NETWORKS Competency Guidelines							
		PF1	PF2	PF3	PF4	PF5	PF6
		Financial Planning	Income and Asset Protection	Income and Money Management	Spending and Credit Management	Communication	
Budgeting and Money Management							
BMM1	BMM1 Construct a budget (for a family of some specified size) to include monthly income and expenditures such as rent, utilities, car payment, grocery, etc.)			3.3.1			
BMM2	BMM2 Demonstrate basic skills for use of a checking account, including use of withdrawal slips, deposit slips, checks, and bank reconciliation statements.			3.6.2			
BMM3	BMM3 Explain the difference between fixed and discretionary expenses, and needs and wants.			3.3.1			
BMM4	BMM4 Explain how a budget can be used to obtain future goals.			3.3.1			
BMM5	BMM5 Describe the function of an emergency fund in money management.	1.1.4		3.3.3			
BMM6	BMM6 Define assets and explain asset growth.	1.1.5					
BMM7	BMM7 Demonstrate the ability to check errors on bank statements (individual and bank errors).			3.6.2			
BMM8	BMM8 Compare and contrast assets and debts, and explain how both can be used responsibly.	1.1.5					
BMM9	BMM9 Explain how good money management helps avoid bankruptcy.				4.5.1		
BMM10	BMM10 Compare and contrast disposable income and discretionary income.			3.3.2			
BMM11	BMM11 Explain how one's income and budget determines one's standard of living.			3.3.1 3.4.1			
BMM12	BMM12 Explain the concept of asset liquidity.	1.1.9					
BMM13	BMM13 Identify the different types of bankruptcy, and explain the advantages, disadvantages and consequences of each.				4.5.3		
BMM14	BMM14 Explain the role of government, financial institutions and other organizations in bankruptcy.				4.5.2		
BMM15	BMM15 Explain how profits earned by business firms enable them to stay in business and provide jobs.						
BMM16	BMM16 Describe how and why cash register charges may vary from prices advertised on products.						
BMM17	BMM17 Compare various forms of payment including cash, check and electronic transactions for ease of use, privacy, safety and efficiency.			3.6.3			
Capital Markets, Savings, Investments, and Planning		PF1	PF2	PF3	PF4	PF5	PF6
		Financial Planning	Income and Asset Protection	Income and Money Management	Spending and Credit Management	Communication	
CSP1	CSP1 Compare and contrast types of loans used to finance a new car, college expenses, and a new house.			3.6.1			
CSP2	CSP2 Demonstrate the ability to keep clear personal financial records.	1.1.4		3.6.2 3.6.3			
CSP3	CSP3 Describe the effects of inflation on savings and personal income.	1.1.9					
CSP4	CSP4 Identify the types of fees charged for checking accounts.			3.6.1			
CSP5	CSP5 Explain the process of compound interest and why it is beneficial.	1.2.4					
CSP6	CSP6 Compare and contrast short-term and long-term savings and investment options.	1.1.7					
CSP7	CSP7 Explain the importance of long-term financial planning.	1.1.4					
CSP8	CSP8 Construct a personal balance sheet.	1.1.5					
CSP9	CSP9 Evaluate savings and investment strategies to provide for short-term financial needs.	1.1.7					
CSP10	CSP10 Explain the role of employer benefits and employer benefits plans in individual financial planning.			3.1.4			
CSP11	CSP11 Develop financial goals for the future and construct a financial plan based on one's life style expectation and career choices.	1.1.7					
CSP12	CSP12 Differentiate among income derived from wages, rents, interest, dividends, and capital gains.			3.1.1			
CSP13	CSP13 Compare rates of return for different investment options. Identify related investment risks.	1.2.6					
CSP14	CSP14 Define terms commonly used in consumer finance.					5.1.8	
CSP15	CSP15 Identify the products and services offered by different types of financial institutions.	1.1.1					
CSP16	CSP16 Describe the conditions and assumptions under which it is wise to refinance a loan.				4.4.6		
CSP17	CSP17 Explain steps for planning for an unanticipated decline or end to income.	1.1.7 1.1.9					

CSP18	CSP18 Explain the effects economic conditions can have saving, spending and investment decisions.	1.1.9					
CSP19	CSP19 List criteria to consider for choosing times to invest in short-term or long-term investments.	1.1.6 1.1.7					
CSP20	CSP20 Explain the differences between personal and employee retirement plans.	1.1.8		3.1.4			
CSP21	CSP21 Demonstrate the proper techniques for managing a checking account by writing checks and balancing a checkbook.			3.6.2			
CSP22	CSP22 Describe a safe deposit box and the types of records that should be kept there.						
CSP23	CSP23 Define and calculate time value of money.	1.1.6					
CSP24	CSP24 Demonstrate the effective use of a financial planning software package.	1.1.7					
CSP25	CSP25 Define the role of the financial advisor.	1.1.2					
CSP26	CSP26 Describe the risks of using technology for financial planning.			3.6.3			
CSP27	CSP27 Identify technology resources available for financial decision-making.	1.1.10					
CSP28	CSP28 Project a savings plan to accommodate family growth.	1.2.5					
CSP29	CSP29 Describe optimized savings and explain criteria to consider for withdrawing savings.	1.1.6 1.1.7					
CSP30	CSP30 Explain what is meant by dollar cost averaging.	1.2.7					
CSP31	CSP31 Describe the types of fee structures offered by financial advisors.			3.6.1			
CSP32	CSP32 Describe how a family can work together to accomplish group goals and avoid financial conflicts.	1.1.7 1.2.5					
CSP33	CSP33 Calculate break-even cash flow.			3.3.6			
CSP34	CSP34 Explain how banks make money by providing checking accounts to consumers and business.			3.6.1			
CSP35	CSP35 Define the types of advisors.	1.1.2					
Careers/Continuing Education			PF1 Financial Planning	PF2 Income and Asset Protection	PF3 Income and Money Management	PF4 Spending and Credit Management	PF6 Communicatin
CCE1	CCE1 Conduct an effective search for career information using suitable Internet sites.	1.1.10		3.5.1			
CCE2	CCE2 Assess the following factors when weighing the value of a job offer: salary, fringe benefits, moving costs, cost of living, retirement, working conditions, future potential, and company stability.			3.5.3			
CCE3	CCE3 Describe and apply correct procedures for online application for scholarships.			3.5.2			
CCE4	CCE4 List current, medium-range (three to five years), and long-term (six to ten years) career goals.			3.5.4			
CCE5	CCE5 Calculate education costs at various colleges and plan how they would be financed (scholarships, grant, work, etc.)			3.5.2			
Consumer Rights			PF1 Financial Planning	PF2 Income and Asset Protection	PF3 Income and Money Management	PF4 Spending and Credit Management	PF6 Communicatin
CON1	CON1 Contrast risks and protections associated with debit cards and credit cards.				4.1.5		
CON2	CON2 Explain consumer rights and consumer responsibilities.				4.2.1		
CON3	CON3 Compare and compute regular wages and overtime wages.			3.1.2			
CON4	CON4 Describe an employee's legal rights and responsibilities.						
CON5	CON5 Explain impulse purchasing and how marketers employ techniques to stimulate impulse buying.				4.1.2 4.1.3		
CON6	CON6 Describe common marketing techniques used to influence or manipulate consumer buying.				4.1.3		
CON7	CON7 Describe the process for filing a request for a summary from the Social Security Administration to verify employer contributions.			3.2.8			

		PF1 Financial Planning	PF2 Income and Asset Protection	PF3 Income and Money Management	PF4 Spending and Credit Management	PF6 Communicatin
Income						
INC1	INC1 Explain the purpose and procedures for completing the W-4 Form (Claiming exemptions).			3.2.3		
INC2	INC2 Explain the deffience between gross pay and net pay.			3.1.2		
INC3	INC3 Explain relationships between education, career choice, and potential income.			3.1.3		
INC4	INC4 Demonstrate the ability to verify calculations for a payroll check.			3.1.2		
INC5	INC5 Describe why employer benefits can be considered as part of income.			3.1.4		
INC6	INC6 Define terms commonly used in relation to income.			3.1.1		
INC7	INC7 Define direct deposit and list its advantages and disadvantages.			3.6.3		
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Insurance						
INS1	INS1 Explain risk, and how insurance can mitigate losses due to risk.		2.1.3			
INS2	INS2 Compare different types of insurance: life, property, vehicle, health, etc.		2.2.2			
INS3	INS3 Explain the value of medical insurance as an employee benefit.			3.1.4		
INS4	INS4 Explain the impact deductibles have on premiums.		2.2.3			
INS5	INS5 Explain renters insurance and its benefits.		2.2.3 2.2.6			
INS6	INS6 Compare different types of insurance policies and costs, and define criteria for selecting a policy that best fits a need.		2.2.3			
INS7	INS7 Describe criteria for selecting different types of insurance.		2.2.2 2.2.3			
INS8	INS8 Explain how insurance needs change throughout life cycle.		2.2.6			
INS9	INS9 Define and compare six areas of vehicle coverage.		2.2.3			
INS10	INS10 Define asset valuation and how it applies to insurance coverage.		2.2.4			
INS11	INS11 Explain factors affecting the cost of all insurance, and describe the process.		2.2.6			
INS12	INS12 Explain how insurance is used to leverage financial risk.		2.2.2			
INS13	INS13 Describe the types of insurance one might find as an employer-provided benefit.			3.1.4		
INS14	INS14 Describe the process for filing an insurance claim.		2.2.5			
INS15	INS15 Design a personal risk management plan, including insurance coverage.		2.1.4			
INS16	INS16 Explain the role of the "Law of Large Numbers" in risk and insurance.		2.2.1			
INS17	INS17 Define subrogation.					
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Taxes						
TAX1	TAX1 Identify different types of taxes that consumers commonly incur.			3.2.1		
TAX2	TAX2 Describe a W-4 Form and the information required for preparing it.			3.2.3		
TAX3	TAX3 Identify expenses that are tax deductible.			3.2.2		
TAX4	TAX4 Given basic information, prepare an income tax return.			3.2.3		
TAX5	TAX5 Describe the impact of saving and investing on personal tax liability.	1.2.9				
TAX6	TAX6 Describe the role of Social Security.			3.2.8		
TAX7	TAX7 Explain the concept of a tax brackets.			3.2.7		
TAX8	TAX8 Define common terms related to consumer taxes.			3.2.5		
TAX9	TAX9 Define and explain taxable and non-taxable compensation.			3.2.4		
TAX10	TAX10 Define deductions and credits and explain the effect different types of deductions and credits have on taxes.			3.2.2		
TAX11	TAX11 Identify local tax rates.			3.2.1		
TAX12	TAX12 Describe the role of government in levying taxes on individuals and businesses.			3.2.5		
TAX13	TAX13 Define and give examples of progressive, regressive, and proportional taxes.			3.2.1		

TAX14	TAX14 Identify the types of professional help available at tax time. List advantages, disadvantages and circumstances under which to use each.			3.2.6			
TAX15	TAX15 Describe tax-anticipation loans and identify their costs.						
		<div>PF1 Financial Planning</div> <div>PF2 Income and Asset Protection</div> <div>PF3 Income and Money Management</div> <div>PF4 Spending and Credit Management</div> <div>PF6 Communicate</div>					
Spending and Credit/Credit Cards							
SCC1	SCC1 Describe the consequences of not making required debt payments on-time.				4.5.2		
SCC2	SCC2 Define the concept of an individual credit history. Explain the significance of a credit history.				4.3.7		
SCC3	SCC3 State the consequences of living beyond one's means.				4.5.1		
SCC4	SCC4 Explain techniques for managing a credit card.				4.3.5 4.5.2		
SCC5	SCC5 Define and calculate finance charges.				4.3.2 4.3.4		
SCC6	SCC6 Identify sources of credit, types of credit offered, and criteria used in granting credit.				4.1.5 4.3.7		
SCC7	SCC7 Explain the "five Cs" in qualifying for credit.				4.3.7		
SCC8	SCC8 Define common terms used in relation to consumer spending and credit.					5.1.8	
SCC9	SCC9 Explain how to secure assistance in understanding contract fine print before signing.	1.1.1 1.1.3			4.5.2		
SCC10	SCC10 Explain identity theft and its potential to impact on credit.				4.5.4		
SCC11	SCC11 Compute compound and simple interest.	1.2.4					
SCC12	SCC12 Given a specified balance owed on a credit card and a specified maximum interest rate and minimum payment allowed, calculate how long it would take to pay off the balance with no additional purchases.				4.3.2		
SCC13	SCC13 Differentiate between the different types of credit.				4.3.1		
SCC14	SCC14 Create a plan to repay the debt on a major purchase.				4.3.4		
SCC15	SCC15 Explain why using credit cards is actually borrowing.				4.3.2		
SCC16	SCC16 Describe the conditions under which an individual may sensibly use multiple credit cards, and describe the proper management techniques for using more than one credit card.				4.3.5		
SCC17	SCC17 Explain the relationship between risk and interest rates.		2.1.1		4.3.2		
SCC18	SCC18 Explain the difference between principal and interest with regard to monthly payments.				4.3.2		
SCC19	SCC19 Compute total cost over the life of the loan.				4.3.2 4.3.4		
SCC20	SCC20 Explain a mortgage and its component parts.				4.4.3		
SCC21	SCC21 Define credit limits and explain how they are established.				4.3.2 4.3.8		
SCC22	SCC22 Analyze a credit report.				4.3.4		
SCC23	SCC23 Define debt and credit.	1.1.9			4.3.1		
SCC24	SCC-24 Explain the concept of opportunity cost. Relate it to job, housing, family, spending, and investing choices.	1.1.7		3.4.2			
SCC25	SCC25 Explain the effects of collections and judgments against an individual.				4.4.7 4.5.2		
SCC26	SCC26 Complete a loan application.				4.3.6		
SCC27	SCC27 Explain down payment requirements and private mortgage insurance.				4.4.2		
SCC28	SCC28 Explain home buyer programs.				4.4.2		
SCC29	SCC29 Explain Rule of 72.	1.2.8					
SCC30	SCC30 Explain an amortization schedule for an installment loan.				4.4.4		
SCC31	SCC31 Identify published and online resources for making buying decisions.	1.1.10					